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EXECUTIVE COMMITTEE OF THE
HIGH COMMISSIONER'S PROGRAMME

Fifty-first session

REPORT OF THE BOARD OF AUDITORS
TO THE GENERAL ASSEMBLY ON THE ACCOUNTS OF THE VOLUNTARY
FUNDS ADMINISTERED BY THE UNITED NATIONS HIGH COMMISSIONER FOR REFUGEES
FOR THE YEAR ENDED 31 DECEMBER 1999

Addendum 2- Report of the Advisory Committee on
Administrative and Budgetary Questions (ACABQ)
to the General Assembly at its Fifty-fifth session (extract)*

*/ This document is an extract from the General Assembly Document A/55/487:
Financial Reports and Audited Financial Statements and Report of the Board of
Auditors - Report of the Advisory Committee on Administrative and Budgetary
Questions.

1. In accordance with financial regulation 12.11, the Advisory Committee on Administrative and Budgetary Questions received the reports of the Board of Auditors on the financial statements of the following entities to the General Assembly for the period ended 31 December 1999: the United Nations,¹ the International Trade Centre UNCTAD/WTO (ITC),² the United Nations University (UNU),³ the United Nations Development Programme (UNDP),⁴ the United Nations Children's Fund (UNICEF),⁵ the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA),⁶ the Fund of the United Nations Environment Programme (UNEP),⁷ the United Nations Population Fund (UNFPA),⁸ the United Nations Habitat and Human Settlements Foundation,⁹ the Fund of the United Nations International Drug Control Programme (UNDCP),¹⁰ the United Nations Office for Project Services (UNOPS),¹¹ the International Criminal Tribunal for the Prosecution of Persons Responsible for Genocide and Other Serious Violations of International Humanitarian Law Committed in the Territory of Rwanda and Rwandan Citizens Responsible for Genocide and Other Such Violations Committed in the Territory of Neighbouring States between 1 January and 31 December 1994¹² and the International Tribunal for the Prosecution of Persons Responsible for Serious Violations of International Humanitarian Law Committed in the Territory of the Former Yugoslavia since 1991.¹³ In addition, the Advisory Committee had before it the Board's reports on the accounts for the year ended 1999 on the voluntary funds administered by the United Nations High Commissioner for Refugees (UNHCR),¹⁴ and on the United Nations Institute for Training and Research (UNITAR).¹⁵ The Committee's comments and observations on the "Audited biennial accounts (1998-1999)" of the World Food Programme (WFP) were communicated to the Executive Board of the Programme through its Executive Director on 6 October 2000. The report of the Board of Auditors on financial statements and accounts of the United Nations peacekeeping operations¹⁶ will be considered by the Advisory Committee at its session in February and March 2001.

VOLUNTARY FUNDS ADMINISTERED
BY THE UNITED NATIONS HIGH COMMISSIONER FOR REFUGEES

2. The Advisory Committee shares the concern of the Board of Auditors about the financial situation of UNHCR. In this connection, the Committee observed in its report on the UNHCR annual programme budget 2001 "that in recent years there has been a declining trend in contributions from a multilateral source to the UNHCR programme" (A/AC.96/932/Add.1, para. 9).

3. The Committee commends the administration of UNHCR for measures taken so far to promote accountability of implementing partners and trusts that further measures will be taken to address the findings of the Board on this issue. Furthermore, in view of the resource constraint being experienced by UNHCR, the Committee trusts that greater efforts will also be made to plan and implement UNHCR activities more efficiently and exercise greater financial control over agency funds and operations. In this connection, the Committee urges UNHCR to take urgent steps to address the weaknesses and shortcomings identified by the Board in paragraphs 63 to 78 of its report¹⁴ regarding budgetary control, human resources management, programme management and project implementation.

4. The Committee notes with concern the findings of the Board on the implementation and ultimate abandonment of the MINDER system (see details in paras. 45 to 59 of the Board's report). The Committee has already commented, in the context of its report on the annual budgets of UNHCR, on what appears to be a lack of full transparency in the reporting on the implementation, cost, performance and delivery of projects on information technology. Most recently, the Committee, in its report on the UNHCR annual programme budget 2001, reiterated its request that UNHCR should present to the Committee, as additional information, comprehensive data on implementation of all information technology projects, including relevant costs (A/AC.96/932/Add.1, para. 18).

Notes

- ¹ *Official Records of the General Assembly, Fifty-fifth Session, Supplement No. 5 (A/55/5), vol. I, chap. II.*
- ² *Ibid.*, A/55/5, vol. III, chap. II.
- ³ *Ibid.*, A/55/5, vol. IV, chap. II.
- ⁴ *Ibid.*, Supplement No. 5A (A/55/5/Add.1), chap. II.
- ⁵ *Ibid.*, Supplement No. 5B (A/55/5/Add.2), chap. II.
- ⁶ *Ibid.*, Supplement No. 5C (A/55/5/Add.3), chap. II.
- ⁷ *Ibid.*, Supplement No. 5F (A/55/5/Add.6), chap. II.
- ⁸ *Ibid.*, Supplement No. 5G (A/55/5/Add.7), chap. II.
- ⁹ *Ibid.*, Supplement No. 5H (A/55/5/Add.8), chap. II.
- ¹⁰ *Ibid.*, Supplement No. 5I (A/55/5/Add.9), chap. II.
- ¹¹ *Ibid.*, Supplement No. 5J (A/55/5/Add.10), chap. II.
- ¹² *Ibid.*, Supplement No. 5K (A/55/5/Add.11), chap. II.
- ¹³ *Ibid.*, Supplement No. 5L (A/55/5/Add.12), chap. II.
- ¹⁴ *Ibid.*, Supplement No. 5E (A/55/5/Add.5), chap. II.
- ¹⁵ *Ibid.*, Supplement No. 5D (A/55/5/Add.4), chap. II.
- ¹⁶ *Ibid.*, Supplement No. 5 (A/55/5), vol. II, chap. II.